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FOR EUR DAS BRYZA, ENERGY ENVOY GRAY AND ENERGY COORDINATOR
MANN

E.O. 12958: DECL: 07/17/2018
TAGS: [ENRG](#) [ECON](#) [EPET](#) [BU](#)
SUBJECT: BULGARGAZ CEO ON CUTS OF GAS FLOW TO GREECE

REF: ATHENS 1019

Classified By: Charge d'Affaires Alex Karagiannis for reasons 1.5 (b) and (d).

¶1. (C) State-owned Bulgargaz CEO Lubomir Denchev told us July 17 that recent interruptions of gas supply to Greece were the result of planned annual maintenance of pipeline infrastructure on Ukrainian territory. He said the year's pipeline maintenance plan is negotiated during annual "dispatcher council" meetings. According to Denchev, in 2008, as agreed, maintenance is being conducted by a joint Gazprom-Ukrainian-Turkish company, Gaztransit, and has caused several interruptions of regular gas supplies to Greece: in May/June (for 10 days), in June (for 3 days) and in July (5 days). Denchev claimed that normal gas supplies to Greece were resumed as of July 16 after the last round of maintenance.

¶2. (C) Denchev said that in previous years regular maintenance did not cause supply disruptions to Greece because in the past Bulgargaz increased the capacity of its compressor pumps during maintenance periods. This year Bulgargaz has refused to do so due to the fuel costs it incurs when increasing pump capacity, for which it is not reimbursed. Denchev noted that Romania does not have compressor pump capacity on its territory and in previous years has depended on Bulgaria to incur the costs of pumping gas to Greece during maintenance periods.

¶3. (C) Comment: Denchev, who was very responsive in talking with us on short notice (consistent with what has been the practice this year as opposed to 2007) was decidedly matter-of-fact in explaining his company's role in gas cuts to Greece. He did not touch on the possibility that Russia could be behind the cuts (ref A). The Bulgarians are well aware that Russia has used its energy resources for political purposes in the past -- conditioning countries to consider that possibility whenever there are disruptions. Bulgaria's Ambassador for Energy Security and soon-to-be Nabucco Ambassador Peter Poptchev told us July 16 that the recent cut of oil supplies to the Czech Republic is "highly suspicious." He noted he had been contacted the same day by the Czech Embassy in Sofia in order to arrange the delivery of a demarche on the subject.
Karagiannis